



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

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November 4, 2004

To: Supervisor Don Knabe, Chairman  
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Supervisor Yvonne B. Burke  
Supervisor Zev Yaroslavsky  
Supervisor Michael D. Antonovich

From: David E. Janssen  
Chief Administrative Officer

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Policy Roundtable for Child Care

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**FOLLOW-UP REPORT ON THE IMPACT OF REDUCED MONITORING BY THE  
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES, COMMUNITY CARE  
LICENSING DIVISION**

This is the second report in response to the November 4, 2003 motion by Supervisor Knabe, requesting the Chair of the Policy Roundtable for Child Care (Roundtable), and the Directors of Children and Family Services (DCFS), Community and Senior Services (CSS), and Health Services (DHS), to report every six months on the impact of reduced monitoring visits by the California Department of Social Services, Community Care Licensing Division (CCLD) on child care, foster homes, and facilities for elderly and disabled adults. This motion also instructed the Chief Administrative Officer (CAO) to keep the Board apprised of efforts to restore funding to CCLD.

## **BACKGROUND**

CCLD licenses and monitors facilities for persons who cannot live alone, but do not need extensive medical services. These facilities include child care, residential services for children, adoption and foster family agencies, and residential and day care services for disabled adults and elderly persons. CCLD is charged with ensuring that these facilities are operating in compliance with Title 22 of the California Code of Regulations, and does this by conducting unannounced facility inspections, investigating complaints, issuing deficiency notices, consulting with operators, and providing technical support.

With the adoption of the 2003-04 State Budget, CCLD monitoring visits to certain types of facilities were changed from annual or tri-annual visits, to once every five years. CCLD began implementing this schedule in September 2003. The 2003-04 State Budget also instituted increased CCLD fees.

## **IMPACT OF POLICY CHANGES**

The following chart shows the current CCLD monitoring schedule for various programs. Child care centers, foster homes, group homes, and adult day care programs were monitored on an annual basis prior to the 2003-04 State Budget, and are now scheduled to receive on-site monitoring visits only once every three or five years. Family child care homes, which were previously monitored once every three years, are now scheduled to receive an on-site monitoring visit once every five years.

	Monitored Annually	Monitored Once Every 3 Years	Monitored Once Every 5 Years
<b>Child Care Facilities</b>			
• Child Care Centers			X
• Family Child Care Homes			X
Centers for the Mildly Ill	X		
<b>Children's Residential Facilities</b>			
• Foster Family Agencies	X		
• Foster Homes			X
• Group Homes			X
• Small Family Homes	X		
<b>Adult Care and Residential Facilities</b>			
• Adult Day Care Programs			X
• Adult Residential		X	
• Residential Care for the Chronically Ill	X		
• Residential Care for the Elderly		X	X
• Social Rehabilitation	X		

The reduced monitoring schedule has been in place for approximately 14 months. During this reporting period, DCFS Social Workers have not reported changes in foster or group home program quality. The number of CCLD visits related to complaints in child care facilities have not increased significantly. Wise Senior Services Long-Term Care Ombudsman Program (Ombudsman Program) has reported a 20 percent increase in complaints related to residential care for the elderly. The Ombudsman Program recently increased their staff and their ability to field complaints from residents.

The impact of reduced monitoring may not become evident for another 12 months, at which time, a significant number of facilities will have gone over 24 months without an on-site monitoring visit. Within the child care sector, there has been a new focus on child care program quality standards at the local, State, and national level. The impending launch of Los Angeles Universal Preschool and its quality standards may have limited the potentially negative impact of reduced monitoring of child care centers.

The 2003-04 State Budget also increased application and annual fees for CCLD licenses. During this reporting period, the number of foster family agencies dropped from 74 in May 2004, to 71 in October 2004. Foster family agencies were faced with increased application fees and a per-bed charge. The increase in family child care homes also appears to have slowed during this reporting period. Because the current 2004-05 State Budget **imposed further increases** to CCLD application fees and established a number of new fees, it will be increasingly important to track the supply of services to determine if these increases result in reduced capacity. Attachment A shows the increase in CCLD application fees from August 2002 through August 2004. Attachment B provides additional information on the impacted services.

### **STATE BUDGET AND LEGISLATION**

The continuing budget gap dominated the 2004-05 negotiations of the State Budget. There was no effort to increase the CCLD monitoring schedule, and as noted above, CCLD increased and adopted additional fees.

Assembly Bill 72, introduced by Assembly Member Bates, was signed by Governor Schwarzenegger on August 27, 2004. This bill requires licensed child care facilities to post their license in a prominent place, and prohibits child care resource and referral programs from making referrals to facilities with a revocation action, a temporary suspension order, or a probationary status. Child care resource and referral programs are to notify Alternative Payment (AP) and CalWORKs Child Care administrators of the programs' status. In the case of the temporary suspension orders and revocations, AP and CalWORKs Child Care administrators are to inform parents and stop child care payments. In the case of programs on probation, AP and CalWORKs Child Care administrators are to inform parents of the situation and of the option to select another child care setting.

Each Supervisor  
November 4, 2004  
Page 4

Assembly Bill 1240, introduced by Assembly Member Mullin, was signed by Governor Schwarzenegger on September 21, 2004. This bill increases the fine assessed by CCLD on community care facilities that allow an individual to own, operate, live, work, or volunteer at a community care facility without a fingerprint clearance or failing to submit fingerprints for clearance.

### **RECOMMENDATION**

The ongoing impact of the reduced monitoring schedule by CCLD could vary significantly by service type. We are, therefore, recommending that future reports be provided by the individual departments and incorporated into their regular communication to your Board. This will allow for regular tracking of service capacity and the ability to better address emergent issues.

If you or your staff have any questions or need additional information, please call Kathleen Malaske-Samu, Director of the Office of Child Care, at (213) 974-2440.

DEJ:MR  
LS:KMS:sg

Attachments (2)

c: Colleen Anderson, Manager, Los Angeles Regional Office, CCLD  
Cagle Moore, Assistant Program Administrator, CCLD

Department of Social Services, Community Care Licensing Division (CCLD) Application Fees 2002-04			
	License Fee August 2002	License Fee August 2003	License Fee August 2004
<b>Child Care Facilities</b>			
• Child Care Centers – per capacity	\$100 - \$500	\$200 - \$1,000 cap removed	\$400 - \$2,000 no cap
• Centers for the Mildly Ill	\$100 - \$500	\$200 - \$1,000	\$400 - \$2,000 no cap
• Family Child Homes – small and large	\$25 - \$30	\$50 - \$100	\$60 - \$115
<b>Children's Residential Facilities</b>			
• Foster Family Agencies	\$1,000	\$1,250+ \$80 per certified home	\$2,500 + \$80 per certified home
• Foster Homes	N/A	N/A	N/A
• Group Home	\$300 - \$750 fees capped for capacities of 50 +	\$375 - \$938 fees capped for capacities of 50 +	\$375 - \$10,000 fees increased for capacities of 4+, capped at capacities of 701+
• Small Family Homes	\$300	\$375	\$375 - \$750
<b>Adult Care and Residential Facilities</b>			
• Adult Residential – per capacity	\$300 - \$750 fees capped for capacities of 50+	\$375 - \$938 fees capped for capacities of 50+	\$375 - \$10,000 fees increased for capacities of 4+, capped at capacities of 701
• Adult Residential for the Elderly	\$300 - \$750 fees capped for capacities of 50+	\$375 - \$938 fees capped for capacities of 50+	\$375 - \$10,000 fees increased for capacities of 4+, capped at capacities of 701
• Social Rehabilitation	\$300 - \$750 fees capped for capacities of 50+	\$375 - \$938 fees capped for capacities of 50+	\$375 - \$10,000 fees increased for capacities of 4+, capped at capacities of 701
• Adult Day Care and Support	\$50 - \$500	\$75 - \$625	\$150 - \$1,250 capped at capacity of 121+
• Residential Care for the Chronically Ill	\$200 - \$350 + \$8/bed	\$250 - \$438 + 10/bed	\$500 - \$876 fees capped at 51+

**Additional CCLD fees imposed as a result of the 2004-05 State Budget:**

- Orientation Fee ..... Per person, varies from \$25 to \$50.
- Change in Capacity Fee ..... \$25.
- Change in Location Fee ..... 50 percent of application fee.
- Change in Corporate Status Fee ..... 50 percent of application fee.
- Plan of Correction Monitoring Fee ..... 100 percent of annual fee.
- Probation Monitoring Fee ..... 100 percent of annual fee.
- Late Fee ..... 50 percent of annual fee.
- Administrative Fee ..... To cover any costs incurred by CCLD.

## DEPARTMENTS REPORTS

### Department of Children and Family Services (DCFS) - Foster Care Services

As of August 2004, DCFS reported that 26,975 children were in out-of-home placement. Nineteen percent, or 5,085 of those children, were in facilities monitored by the Department of Social Services, Community Care Licensing Division (CCLD). An additional 6,325 children were placed in homes certified by foster family agencies. CCLD monitors foster family agencies. Both the number of children in out-of-home placement and the percentage of children in CCLD monitored settings were down slightly from what was previously reported to your Board.

	March 2004	August 2004
<b>Total children in out-of-home placement</b>	27,806	26,975
<b>CCLD Monitored Settings</b>		
• Children in foster family homes	3,999	2,834
• Children in small family homes	222	201
• Children in group homes	2,116	2,050
• Children in CCLD-monitored settings	6,337	5,085
Children in homes certified by foster family agencies. CCLD monitors foster family agencies.	6,774	6,325

Source: Fact Sheets – Child Welfare Services - March 2004 and August 2004.

The number of foster family agencies has dropped slightly since the May 2004 report to your Board, when 74 foster family agencies were identified. As of October 2004, DCFS reported that there were 71 foster family agencies operating in the County of Los Angeles.

Foster Care Resources	March 2004		August 2004	
	Homes	Beds	Homes	Beds
Foster family homes	3,111	7,429	3,246	7,738
Foster family agency homes (self-report)	5,093	13,432	4,856	12,987
Small family homes	169	525	167	509
Group homes	337	4,202	334	4,156
Total beds		25,588		25,390

Source: Fact Sheets – Child Welfare Services - March 2004 and August 2004.

Foster family homes were the only type of resource that increased during this reporting period. Overall, there was a net loss of 198 beds since May 2004.

During the period of this report, CCLD continued to monitor foster family agencies and small family homes on an annual basis. Foster family homes and group homes were, however, subject to reduced monitoring by CCLD. DCFS has drafted a policy to incorporate facility observations during the Social Workers' monthly visits with children in out-of-home placement.

DCFS and the Auditor-Controller are in the process of finalizing a Contract Monitoring System, which is designed to enhance the monitoring of group home and foster family agencies and their achievement of performance outcomes.

### **Policy Roundtable for Child Care (Roundtable) - Child Care Services**

Generally, licensed child care services provide care and supervision to children ranging from six weeks to 12 years of age. The majority of child care centers and family child care homes operate between 6:00 a.m. and 6:00 p.m., Monday through Friday. While a limited number of local programs operate on a 24-hour basis, services to individual children are required by regulation to be provided for periods of less than 24 hours. Full-day child care services are most often used by parents who are employed or enrolled in training or educational programs. Part-day programs are generally used by parents who are seeking opportunities for their children to participate in a group experience. In both cases, parents are looking for programs that will value and nurture their children, and promote a love of learning.

According to data provided by CCLD, since our last report to your Board, the number of licensed family child care homes has increased by two percent (238), and the number of child care centers has increased by approximately four percent (136). It appears that the licensing fee increases implemented as a result of the 2003-04 State Budget, did not deter family child care providers or child care centers from the licensing process. However, it should also be noted that child care centers, which became licensed in the past six months, were most likely in development well before the implementation of these fee increases. The Roundtable is concerned that the additional fees implemented as a result of 2004-05 State Budget, will have a chilling effect on new child care programs, particularly on family child care homes in low-income communities. As a result, the Roundtable will continue to track the supply of child care in the County of Los Angeles.

<b>Licensed Child Care Supply in the County of Los Angeles</b>						
<b>Type of Care</b>	<b>Number of Facilities</b>			<b>Number of Spaces</b>		
	August 2003	February 2004	July 2004	August 2003	February 2004	July 2004
Family Child Care	10,962	11,334	11,572	105,762	109,315	112,087
Child Care Centers	3,689	3,686	3,822	194,005	194,400	200,225
<b>Totals</b>	<b>14,651</b>	<b>15,020</b>	<b>15,394</b>	<b>299,767</b>	<b>303,715</b>	<b>312,312</b>

*Source: California Department of Social Services, CCLD Information Systems*

The Roundtable was able to compile and compare CCLD data on selected activities. As presented in the chart below, it appears that local CCLD offices are processing applications and conducting complaint visits at the same level as in 2003.

Comparison of CCLD Activities for Los Angeles East and Northwest Child Care Offices							
	January 2003	April 2003	June 2003	January 2004	April 2004	June 2004	Sept. 2004
Applications processed	314	290	277	313	294	287	289
Applications received	301	263	201	249	261	274	267
Pre-licensing visits		279	289		279	267	
Visits related to complaints		132	152		157	147	

Source: CCLD Activity Indicators and Priority Indexes for Los Angeles Child Care East and Los Angeles Northwest Child Care Offices of CCLD.

When faced with very serious violations, CCLD has the ability to issue a temporary suspension order, begin a revocation action, or place the program on probation. The following chart lists the total number of such actions taken from May 2003 through May 2004, as well as those actions taken between June and September 2004. With cooperation from local CCLD offices, the Roundtable will continue to monitor these actions.

CCLD Actions on Child Care Programs in the County of Los Angeles		
	May 2003 to May 2004	June 2004 to September 2004
Temporary Suspension Orders	16	7
Probation	12	5
Revocation Action (Resolution of the action could be revocation, probation, or hearing process)	64	23

Source: Los Angeles Child Care East and Los Angeles Northwest Child Care Offices of CCLD

At the same time that the monitoring role of CCLD was diluted, the issue of quality standards for child care and development programs has been engaged by policy makers, early childhood educators, and the public. Efforts to promote school readiness, launch universal preschool, and link reimbursement for subsidized child care to quality have all converged on the topic of quality standards. Within the County of Los Angeles, the Roundtable has led this conversation and has worked collaboratively with the First 5 LA Commission's Universal Preschool Task Force on Quality and Standards. The Roundtable has developed and will be field testing program quality rating instruments for child care centers and family child care homes in the coming months. Los Angeles Universal Preschool will be recruiting program sites using these quality rating instruments in January 2005. This local emphasis on child care and development standards may have mitigated, to some degree, the impact of reduced monitoring by CCLD during the past year.



## **Department of Community and Senior Services (CSS) – Adult Residential Services**

CSS administers the Adult Protective Services (APS) program, which mandates the investigation of reports of elders (age 65+) and dependent adults (ages 18-64), living in their own home, who may be endangered by abuse and/or neglect by others, and/or self-neglect. In 2003-04, APS received 20,132 reports of suspected abuse, neglect, or self-neglect.

APS continues to contract with 13 CCLD-licensed residential care facilities in the County to provide short-term emergency shelter services to APS clients who are in need of such services and whose conditions are appropriate for the level of care and supervision provided. These facilities have experienced substantial increases in CCLD fees.

During Fiscal Year 2003-04, CCLD enlisted APS assistance on four occasions to troubleshoot problems with residential facilities. During the first quarter of 2004-05, APS responded to five such requests from CCLD.

Kimberly Daughton, with the Ombudsman Program, reported there was a 20 percent increase in complaints received on Residential Care Facilities for the Elderly in the current fiscal year. She was, however, unable to attribute this increase in complaints solely to deteriorating conditions. Ms. Daughton noted that the Ombudsman Program increased the number of staff and volunteers, making them more visible and better able to field complaints from residents.

## **Department of Health Services (DHS) – Adult Day Programs**

The Department of Health Services, Geriatric Special Services Unit, coordinates information on the range of services available to senior citizens, including Adult Day Programs (formerly Adult Day Care and Adult Day Support Centers) licensed by CCLD, and Adult Day Health Care Centers that are licensed by the California Department of Health Services.

The number of Adult Day Programs has dropped from 178 reported in May 2004, to 171 according to the CCLD Web-site on October 22, 2004.

In March 2003, your Board adopted a motion instructing the Directors of the Departments of Health Services and Mental Health to work with CCLD to increase the monitoring of licensed and unlicensed residential facilities for dependent adults and elderly persons. In response to that motion, a task force was convened under the leadership of the CAO, including representatives of the departments noted above, and the District Attorney, County Counsel, Community and Senior Services, Fire, Public Works, Probation, Regional Planning, and the Treasurer and Tax Collector. This task force is developing operating protocols to improve and coordinate a more responsive approach to addressing the needs of elder and dependent adults that utilize licensed and unlicensed residential facilities.